

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5247-01
Bill No.: HB 1383
Subject: Veterans; Education, Higher; Fees
Type: Original
Date: February 10, 2014

Bill Summary: This proposal grants in-state tuition eligibility for active duty military personnel and national guard.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Higher Education (DHE)** assume this bill would grant in-state tuition eligibility for active duty military personnel and national guard. Since this is generally consistent with the residency guidelines established by the Coordinating Board for Higher Education, under the requirement of §173.005.2 (5), it should have a minimal fiscal impact on institutions. It would have no fiscal impact on the DHE.

Officials from the **Joint Committee on Administrative Rules (JCAR)** stated this proposed legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

According to officials from the **Office of Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$2,500. SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what their office can sustain with their core budget. Therefore, SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal with core funding. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Missouri Veterans Commission** anticipate no fiscal impact to their agency as a result of this proposed legislation.

Officials from the **Missouri National Guard (MNG)** state this proposal could potentially reduce tuition received by an education institution because the service members who are currently assigned to Missouri will pay in-state rates rather than out-of-state rates; however, minimum impact is anticipated given that in the previous fiscal year there were only two MNG service members paying out-of-state tuition rates.

ASSUMPTION (continued)

MNG anticipates no fiscal impact to their agency because the state will pay \$274/credit hour regardless of resident student status. The MNG has no way of tracking the number of active duty service members and/or airmen this proposal could affect.

Officials from the **University of Missouri System** state this proposal would have minimal fiscal impact on the University System.

Officials from the **University of Central Missouri** state this proposal would have no fiscal impact on UCM already offers in-state tuition to military personnel residing in the state.

Officials from **Missouri Southern State University** state the fiscal impact is indeterminate at this time.

Officials from **Linn State Technical College, Missouri Western State University, Northwest Missouri State University, and Missouri State University** assume this proposal would have no fiscal impact on their respective institutions.

Officials from the following colleges and universities: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Kansas City Metro Community College, Lincoln University, Moberly Area Community College, Missouri State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College, and Truman State University, did not respond to **Oversight's** request for fiscal impact.

Oversight assumes, based on information from the Missouri National Guard and several universities, that the fiscal impact would be minimal, and, for fiscal note purposes only, will assign no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

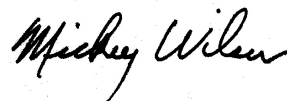
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri National Guard
Office of Secretary of State
 Administrative Rules Division
Joint Committee on Administrative Rules
Missouri Veterans Commission
Colleges and Universities
 Missouri Southern State University
 University of Central Missouri
 Linn State Technical College
 Missouri Western State University
 Northwest Missouri State University
 Missouri State University
 University of Missouri System.



Mickey Wilson, CPA
Director
February 10, 2014

L.R. No. 5247-01
Bill No. HB 1383
Page 6 of 6
February 10, 2014

Ross Strobe
Assistant Director
February 10, 2014

LMD:LR:OD